



State Representative Glenn Anderson

5th District



A Report From The 2002 Legislative Session

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Education (K-12) –
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and east King County,
including the Sammamish
Plateau, Snoqualmie Valley,
Maple Valley, Issaquah, North
Bend, Black Diamond,
Enumclaw and eastern Renton.*

Dear Neighbors,

The Legislature has returned to Olympia to address the \$1.5 billion operating budget deficit, our Puget Sound transportation crisis and the continuing deterioration of our state's economy. With so much on the line, it's clear that this legislative session is going to be about setting priorities that improve our economy, stabilize the state budget and meet our essential government service needs.

Between Labor Day and Thanksgiving I went from community to community in the district, meeting informally with many of you. I appreciate that so many gave up part of an evening to share their thoughts. I also thank those of you who responded to my 2001 Fall Issues Survey, which has been a tremendous asset in helping me represent you. The response was overwhelming. I'm still reading all the handwritten notes and suggestions on how state government can do much better. Those results are included in this newsletter, and I will carry them to the floor of the House as we debate those issues.

Control of our lawmaking process in these challenging times belongs to Democrats, who occupy the governor's office and have majorities in the state House and Senate. With that comes the responsibility for dealing with our state's \$1.5 billion operating budget deficit. I believe the shortfall can be successfully addressed by prioritizing state spending, within existing revenues, and knowing the difference between "needs" and "wants," making sure the needs are met first. I look forward to working toward those goals in a bipartisan manner, to achieve real results that provide real value for taxpayers. However, I'll be less enthusiastic if the session brings political posturing by some legislators on budget issues, in order to exploit the fears of the good people of our state in an election year. Too much is at stake for those kinds of games.

It is a privilege and honor to serve as your state representative. Please contact my office whenever you want to share your thoughts on the decisions before us, or if you need help dealing with a state agency. It's your government and it works best when you get involved.

Sincerely,



Glenn Anderson

What you should know about this letter...



Because 2002 is an election year, state legislators are not allowed to use public resources for more than two "mailings" to our constituents between now and November. This letter is the first, and the second will go out after the 2002 session adjourns. Otherwise, state law allows me only to reply after you contact my office with specific questions.

These restrictions were enacted in 1992, by a citizen initiative, to prevent abuse of legislative postal-mailing privileges. That was long before e-mail became a common and low-cost tool for communicating, yet the law still restricts e-mail (sent from legislative computers) just as it does postal mail. It makes things a bit awkward, especially for me, as I feel very strongly about keeping you regularly informed.

Get The State's Budget Priorities Straight



The state's latest economic forecast shows the operating budget is already short by \$1.5 billion. Many suspect that gap may get even larger when the next economic forecast is issued in February. *This budget deficit is driven by runaway spending.* The 2001-03 budget effectively programs the state to spend itself into a \$3 billion deficit in the 2003-05 budget. The \$1.5 billion hole now is just the first stage. This is in spite of the fact that the revenue the state expects to collect in 2001-03 is \$350 million more than was *actually spent* in 1999-2001.

Washington now has the highest unemployment rate in the nation. Most experts agree that while there will be bright spots, Washington's major employment industries will remain depressed for the foreseeable future. At a time when tens of thousands of Washingtonians have lost their jobs and more layoffs are on the horizon, Gov. Locke's proposed budget recommends that the state reduce its workforce of nearly 100,000 by a grand total of 440. The group hit hardest by these layoffs would be state librarians, who help citizens access government documents in order to comply with laws and rules. The governor would not only protect all other state employees but also give them a scheduled pay raise.

In late December, after the governor's proposed budget "fix" was announced, Wall Street bond rating agencies advised the state and the money markets that Washington's credit rating was at risk to be downgraded.

Here's what you said about the *budget* situation:

- 63% prefer not to spend the state's emergency reserve fund before either cutting services or raising taxes;
- 67% prefer to deal with the budget deficit by cutting services and not raising taxes;
- 57% believe their family standard of living is at risk due to the economic downturn.
- over 75% believe the state should review its labor and environmental regulatory policies to make our state a more attractive business location and that we should encourage the recruitment of high-wage manufacturing employers to strengthen our economy.

This session's budget debate shouldn't be about whether the state is collecting enough money from taxpayers. It's about our priorities: how we spend that money on education, social services, the environment, and law enforcement. Until the House and Senate Democrats announce their plans for dealing with the deficit, the only budget rewrite on the table is the governor's. It's a real disappointment.

Expect Transportation Debate to Heat Up



The money that funds state services is primarily a Puget Sound product: over the last 10 years, 70% of the state's operating-budget revenues were generated by greater Puget Sound businesses and consumers. In other words, the Puget Sound region supplies the majority of funding for services available in all regions of the state. That's why we need to make the very tough choices on transportation now. Putting our region and state back on the road to prosperity is the best way to get to a sustainable state operating budget, and make the critical investments in education, social services, our natural environment and law enforcement.

Here's what you said about transportation funding:

- 57% oppose the idea of tying the gas tax to inflation
- 62% support raising the gas tax to some level to pay for necessary additional road construction.

However, those who would accept a gas tax hike also would expect government to take specific steps to change the way it does business, to assure us a return on our transportation investment. For example:

- 59% agreed that the governor should declare a transportation "emergency" that doesn't undermine worker safety or environmental standards, but temporarily suspends labor and environmental regulations to let

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transportation projects proceed more quickly and at less cost.

- 55% agreed that the Legislature should transfer the \$1.5 billion in biennial auto-related sales tax revenue currently in the operating budget to the transportation budget, even if it makes the operating budget deficit worse. That revenue is now spent in the operating budget on non-transportation items.
- 87% agreed in splitting the Puget Sound regional transportation planning organization into two organizations, to give suburban and rural residents their own voice in transportation planning separate from the urban corridor.
- 67% agreed that Sound Transit should be revoted, so citizens can revalidate or discontinue it.

If the Legislature's goal is to actually change the "business-as-usual" mindset, and start solving our transportation problem, these ideas would appear to deserve strong consideration. Only then can a transportation tax package — statewide and regional — be an honest bargain for the taxpayers and a cornerstone to future prosperity.

Protecting Progress in K-12 Education



K-12 education is the paramount duty of state government, and that is reflected in the investment taxpayers make in our schools. Since the 1991-93 biennium, K-12 education has accounted for more than \$51.6 billion in general-fund allocations. The \$10.3 billion allocation for public schools from the 2001-03 operating budget (which includes I-728 commitments) represents an increase of nearly 46 percent from what was spent in 1991-93.

Starting in 1993, and continuing through the economic good times of the '90s, Washington pursued a steady course of education reform to improve the learning environment for — and academic achievement of — our children. Now we face the challenge of continuing those reforms in times of economic uncertainty and limited funding. This comes at a time when we also need to continue to provide competitive compensation packages to attract and retain the best and the brightest people to be teachers.

What you said about education:

- 84% agreed that there should be a formal accounting of I-728 (reducing classroom size) funding that documents results; 56% agreed that the legislature should pass a referendum to the people containing a specific tax increase to maintain I-728 funding if the budget deficit warrants it.

- 59% agreed that the state should make funding available to school districts to offer competitive one-time signing bonuses to attract entry-level teachers; 67% agreed that teachers who have shown exceptional achievement in receiving professional certification should also receive a bonus.
- 82% agreed that statewide teacher compensation schedules should be adjusted to reflect the cost-of-living differential in the region in which they teach.

The handwritten notes I received from you about education send clear messages. First, good teachers are the key, and we need more of them. Second, they should be rewarded fairly and based on merit. Third, and most important, the education system must be held accountable for spending its dollars wisely and for continuing to improve the academic achievement of our children.



Glenn Anderson

Glenn is a business management consultant with 18 years' experience in banking and working with emerging growth companies. He has an economics degree from the University of Alabama with emphasis on international trade and community development. This is Glenn's first term in the House of Representatives serving the 5th legislative district.

He is a board member for the Children's Services of Snoqualmie Valley and the Washington National Parks Fund. Glenn and his wife Elisabeth, a telecommunications professional, make their home near Fall City.

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The Scandalous Shuffle of Funding for Long-Term Elder Care



For the past few years, Washington has received about \$100 million annually through the federal Nursing Home Pro Share program. These are Medicaid funds that are supposed to go toward Medicaid programs like long-term care and services that includes nursing homes. Instead, they have gone into the general fund.

It's bad enough that Gov. Locke's budget rewrite would take away \$69 million in state funding for nursing-home and assisted-living care for Medicaid patients. But he also is counting on about \$350 million more to come our way from the Pro Share program. In the governor's proposed budget, that money is not earmarked for nursing home health care. It would go into the general fund, as past Pro Share payments have, and be used to address the

budget deficit – at the expense of those it is supposed to help.

The federal government knows our state hasn't spent the Pro Share money properly. No wonder it is now delaying distribution of those funds. This is the same kind of money-shuffling that made you and me mad as hornets when we found out that our MVET taxes weren't being used to improve Washington's transportation infrastructure, but were being spent on unrelated state programs. The story of the Pro Share funding diversion should deeply disturb every person with a loved one who is being cared for in a nursing home or other long-term care facility in Washington.

INSIDE:

- Getting the state's priorities straight
- Addressing the transportation crisis
- Protecting K-12 education
- The scandalous treatment of health care

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